

# **RETIREMENT PLANNING PAMPHLET**

**FOR** \_\_\_\_\_

### Introduction

This pamphlet has been designed to provoke your thinking on the subject of your eventual retirement and, thus, to develop your interest in planning for your retired years. Each retirement is, of course, a highly personal equation in which any number of factors must be weighed and considered. Hopefully the questions herein will serve to prompt your examination of your own situation.

There is no requirement that you discuss your responses to these questions with your retirement counselor; your reactions to them, as well as your plans for retirement, are your own personal affair. If, however, any of the questions identify subjects which you would like to discuss, or on which you would like information, your counselor stands ready to be of assistance to you. Your retirement planning should, however, include very careful consideration of all the subjects touched by these questions. Our retirement counselors have assisted thousands of employees before you; they are prepared to assist you in your planning. We suggest that you avail yourself of the full range of counseling services.

If you are married, we recommend that you and your spouse work together on retirement planning and that your spouse participate in the pre-retirement counseling sessions.

Your counselor for pre-retirement planning is \_\_\_\_\_.

General

Do you know what you want to do after retirement?

Do you know where you want to live after retirement?

Do you know what your financial position will be in retirement?

Will your financial position in retirement enable you to do what you want? To live where you wish? To live how you wish?

Financial

Have you made a realistic calculation of your net worth (assets minus obligations)?

Have you made an analysis of your patterns of spending?

Can you identify patterns you will change in retirement?

Have you a projection of what your government annuity will be?

Will you provide for a survivor benefit from your annuity, if you are married?

Will you be eligible for a Military Reserve annuity?

Will you be eligible for Social Security?

Will you have other sources of income in retirement?

Have you or your spouse an outside interest that produces income?

Have you compared your total retirement income with total anticipated expenditures in retirement?

Is there a difference that indicates need for additional income or reduced expenditures?

Are you a participant in our Investment Plan?

If yes, do you know what your options will be when you retire?

N.B. It is recommended that, for planning purposes, you complete the work sheet at the end of this booklet.

Post-Retirement Activities

Unless you work full time, at least forty additional hours per week will be added to your leisure time after retirement. Have you thought of how you will spend these hours?

Do you plan to work after retirement?

If yes, will it be because of financial necessity?

Will it be for reasons other than financial?

If for financial reasons, do you know how much you need to earn per month?

Do you know what kind of work you want to do?

Have you had vocational aptitude testing?

Do you have hobbies or avocations?

Have you acquainted yourself with employment prospects for the type work in which you are interested?

Have you realistically evaluated your complete background in relation to your employment objective?

Are you acquainted with the employment counseling available to you in the Retirement Affairs Division?

If you do not plan to work, how will you handle your leisure time?

Where To Live

Do you know where you want to live after retirement?


Are ties to family the principal factor in your decision to remain or to move?

Are ties to the "old crowd" of career associates the principal factor in your decision?

If you plan to live in your present house, will it be more than you need after retirement?

Do you know exactly why you are planning to remain where you are or to move?

Have you compared the merits of a retirement community with those of a regular neighborhood?

Are you aware that you may be eligible for a retirement relocation benefit? 

If you are thinking of moving to a new location, have you given full consideration to such things as living costs, taxes, climate, living accommodations?

Will you have friends or know people at the new location?

Will the new location offer opportunity for your plans for post-retirement employment?

Will there be adequate cultural and recreational facilities?

Have you made on-the-spot investigations of the new retirement site?

If not, how do you know it will be a wise move?

Health Planning

Are you aware of the health insurance benefits you may carry into retirement?

Is your present health and hospitalization insurance adequate for the years ahead?

Are you familiar with the criteria for eligibility for Medicare?

Do you have a private physician?

Will you have military reserve eligibility for health and hospitalization benefits?

Do you have a good idea of the condition of your health?

Have you a regimen of diet, exercise and examination for maintenance of your best condition of health?

Are you aware of the pre-retirement services of the Office of Medical Services?



Protecting What You Have

Do you have an up-to-date will?

Have you familiarized yourself with the coverage and benefits of your insurance policies after you retire?

Have you evaluated your insurance holdings in terms of the need in your retirement?

Have you familiarized yourself with the legal factors in your planned retirement jurisdiction on such matters as joint accounts, disposition of estates, wills, powers of attorney, ownership of real property, taxes, gifts, proceeds of insurance, etc.?

Are all your designations of beneficiaries up-to-date?

Will you need to change these designations upon retirement?

Do you have, in one document, a record of your important papers?

Do you have a lawyer whom you can consult on matters of finances and estate?

Your Spouse (if married)

Does your spouse understand your financial and estate situation?

Do you plan to provide for a survivor annuity?

Will your spouse be knowledgeable of the survivor benefits and entitlements deriving from your retirement?

Will your record of important papers include a full description of survivor benefits and entitlements?

Will your spouse know the location of your record of important papers?

Will your spouse know the names and addresses of your lawyer and your physician?

Will your spouse know whom to contact on matters of insurance and survivor annuity?

If You Are Not Married

Will your next of kin or some designated party know the location of and have access to your record of important papers?

Your Government Service

Have you had Federal Civilian service other than with us?

If so, was any of this time not covered by contributions to the Retirement Fund? (If yes, there could be a reduction in your annuity.)

Did you ever withdraw contributions from the Retirement Fund? (The service will not be creditable toward an annuity unless you repay the contributions.)

Did you have military or naval service?

Have you submitted discharge papers to confirm such service?

N.B. It is important that all prior civilian Federal Service and military or naval service be confirmed well in advance of your retirement. Your pre-retirement counselor will put you in touch with the experts on this subject if there are any doubts or questions on such service.

A Financial Forecast  
for Retirement

In working on this forecast, take the trouble to use monthly figures. Besides offering a shorter period more amenable to financial controls, you will find it revealing in many instances (e.g., insurance and taxes) to realize just how your monthly income is being used right now.

| <u>INCOME</u>         | <u>NOW</u> | <u>WHEN RETIRED</u> |
|-----------------------|------------|---------------------|
| Gross Salary          | \$         | \$                  |
| From Savings          |            |                     |
| From Investments      |            |                     |
| From Rental Property  |            |                     |
| From Other Job        |            |                     |
| Government Annuity    |            |                     |
| Military Reserve      |            |                     |
| Annuity               |            |                     |
| Own Business, Income- |            |                     |
| Producing Hobbies     |            |                     |
| Other Sources         |            |                     |
| TOTALS:               | \$ _____   | \$ _____            |
|                       | \$ _____   | \$ _____            |

Expenses

|                              | <u>NOW</u> | <u>WHEN RETIRED</u> |
|------------------------------|------------|---------------------|
| Rent or Mortgage             |            |                     |
| Food (family)                |            |                     |
| Clothing, Laundry            |            |                     |
| Education                    |            |                     |
| Household Utilities          |            |                     |
| Auto Insurance               |            |                     |
| Mortgage/House Insurance     |            |                     |
| Health Insurance             |            |                     |
| Life Insurance               |            |                     |
| Other Insurances             |            |                     |
| Doctor/Dentist/Medical Bills |            |                     |
| Amusement, Entertainment     |            |                     |
| Travel, Vacations            |            |                     |
| Upkeep on Property           |            |                     |
| Upkeep on Automobile         |            |                     |
| Gasoline                     |            |                     |
| Lunch (during workdays)      |            |                     |
| Books, Newspapers, etc.      |            |                     |
| Church, Charities            |            |                     |
| Federal Income Tax*          |            |                     |
| State Income Tax*            |            |                     |
| Local Income Tax*            |            |                     |
| Real Estate Taxes*           |            |                     |
| Allowance for Children       |            |                     |
| Other Expenses               |            |                     |
| TOTALS:                      |            |                     |

\*For the NOW column you can simply use 1/12 of the taxes you have experienced paying. For the WHEN RETIRED column, it will be a very useful planning exercise to prepare tax returns on the basis of your projected retirement income.

Compare the tables you have developed. From the NOW figures you might spot some areas in which savings can be made at this time. The figures for WHEN RETIRED should provide you with useful "benchmarks" for your retirement planning.

FINANCIAL WORK SHEET  
Determining Your Worth

How much are you worth today?

|  |          |
|--|----------|
| Value of Home (and other<br>real property)     | \$ _____ |
| Value of any Business or<br>"Outside" Interest | _____    |
| Personal Property                              | _____    |
| Savings Accounts                               | _____    |
| Stocks, Bonds, Mutual Funds                    | _____    |
| Checking Accounts                              | _____    |
| Other  | _____    |
| TOTAL  | \$ _____ |

How much do you owe?

Mortgage on Home \$ \_\_\_\_\_

Loans \_\_\_\_\_

Unpaid Bills, Debts \_\_\_\_\_

TOTAL \$ \_\_\_\_\_  
(Subtract from total  
on preceding page)

Net Value of Your "Living  
Estate" \_\_\_\_\_

ADD total of Life Insurance \_\_\_\_\_

Gross Value of Your "Death  
Estate" (before estate  
taxes, other costs) \_\_\_\_\_

After you have made this computation on  
the basis of present circumstances, perform  
similar computations projected to ages of  
sixty-five and seventy.



### A REMINDER

Now that you have gone through this little booklet, let's go back to the basic point in the Introduction: to provoke your thinking about all aspects of planning for your retired years.

In too much of the literature on the subject, retirement planning is viewed only as an attempt to figure out how much money one will have to live on in retirement. While not at all dismissing or minimizing this vital facet, we must emphasize there's more to it than that. Preparing for a whole new phase of life is, in effect, life planning; planning how one is going to live for the rest of his life. That's a challenge if there ever was one! It involves all aspects of living, not only finances. Fortunately by the time we get to the point at which we should do such planning we have a lot of experience under our belts, have accumulated wisdom over the years, have already successfully mastered other challenges and so are quite well prepared to prepare for this next step. Hopefully, this booklet will prompt you in your preparation, but you need not be alone in your efforts. Your retirement counselor will assist you in every way.

---

Approved For Release 2001/08/02 : CIA-RDP82-00357R000700150005-8

NOTES

Approved For Release 2001/08/02 : CIA-RDP82-00357R000700150005-8